



#AllGold
AllOver

TIGER BRANDS



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A different marketing approach



Chief Marketing Officer – Driving Growth for Tiger



Becky Opdyke appointed 15 October 2018

19-years of experience

Harvard educated



Previously with ABInbev as
Brand Director: Castle Lite Africa



Prior to joining ABInbev, spent 11 years at General Mills
in various commercial & marketing roles spanning
global & regional portfolios, including South Africa



Portfolio includes

Marketing

Research & Development

Strategic Pricing

Innovation

Digital

Media

Consumer Insights

Consumer-centric business today means embracing...



A WORLD OF HARDSHIP



DISRUPTING TO WIN



BEING MEANINGFUL





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A world of hardship



Source: World Bank - Ipsos, April 2019, The People's Agenda | Standard Bank | Stats SA | Trading Economics



47% of voters cited job creation as #1 concern

An hourglass economy

62% live on less than R60 per day, 12% more than R1 200 per day

A country without food security

Almost 1 in 5 households face hunger

Joblessness keeps families trapped in poverty

Unemployment at 29%

Youth hardest hit 56% of 15-24 year old's unemployed

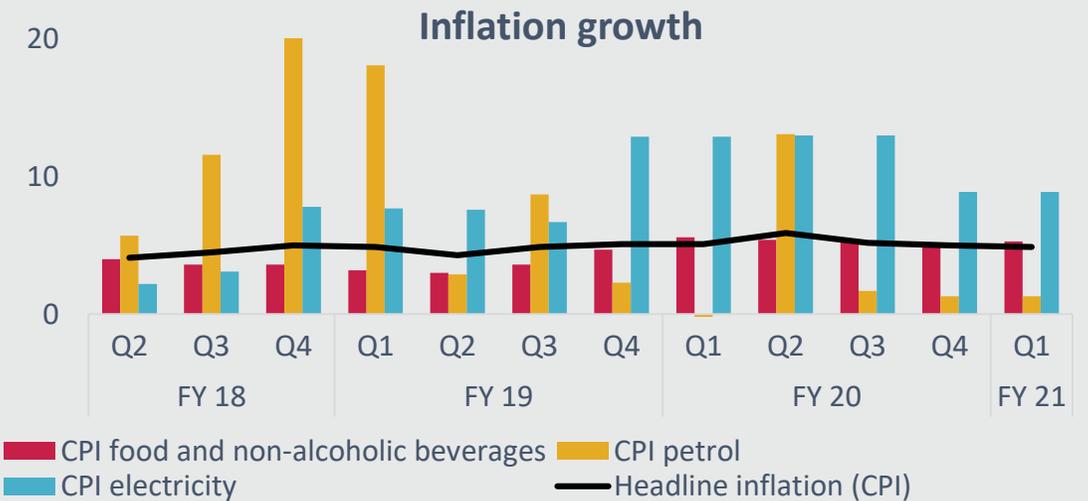
In a world of hardship, food has been the hero in the basket



Modest food inflation resuming

Electricity driving up prices

People adapt by making compromises



Source: BER, Economic Prospect Second Quarter 2019, Vol 34 No 2 | StatsSA BER, Medium-term Economic Outlook and risks, Forecast for South Africa: 2019-2024



Price sensitivity remains high & retailers are struggling to get it right



Consumers are price sensitive

South Africa
is the

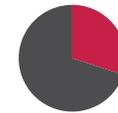
2nd

most price sensitive
in the world

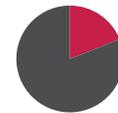
Source: Nielsen



But, promotional efficiency is weak – total FMCG SA



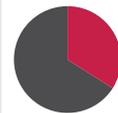
30% of total FMCG volumes are sold on promotion



The average product (SKU) is on promotion 10 of the 52 weeks in a year is **19%**



The average depth of price cut is **16%**



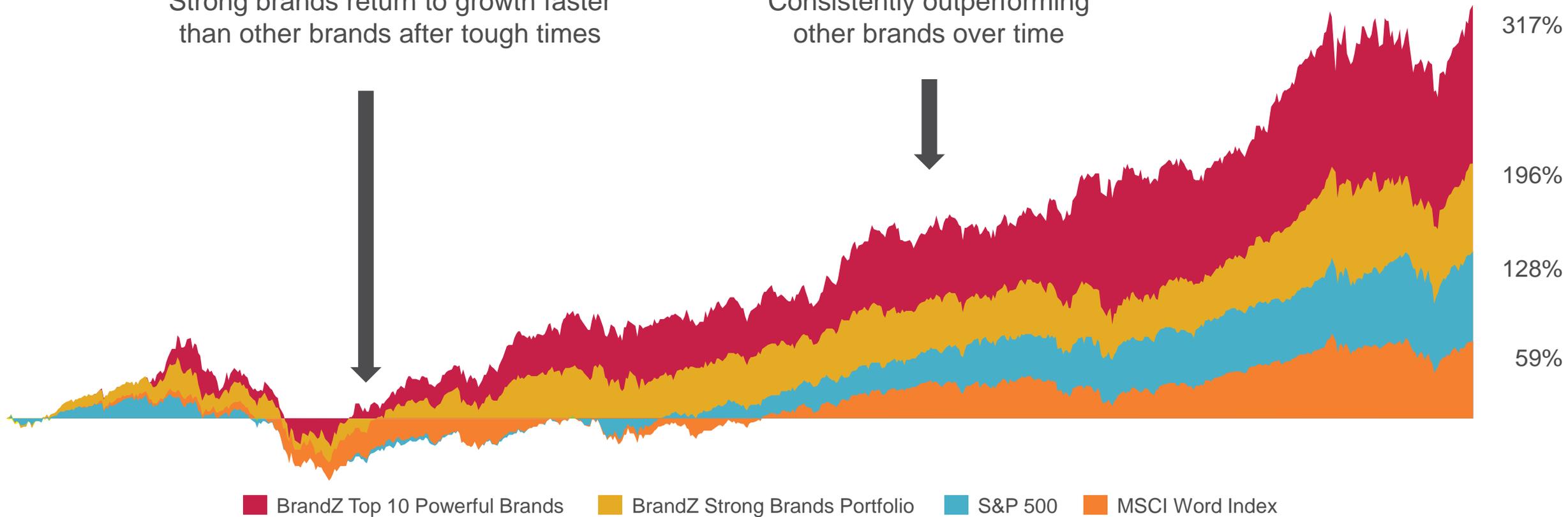
Only **34%** of promotions are efficient



Historically strong brands outperform other brands & bounce back faster

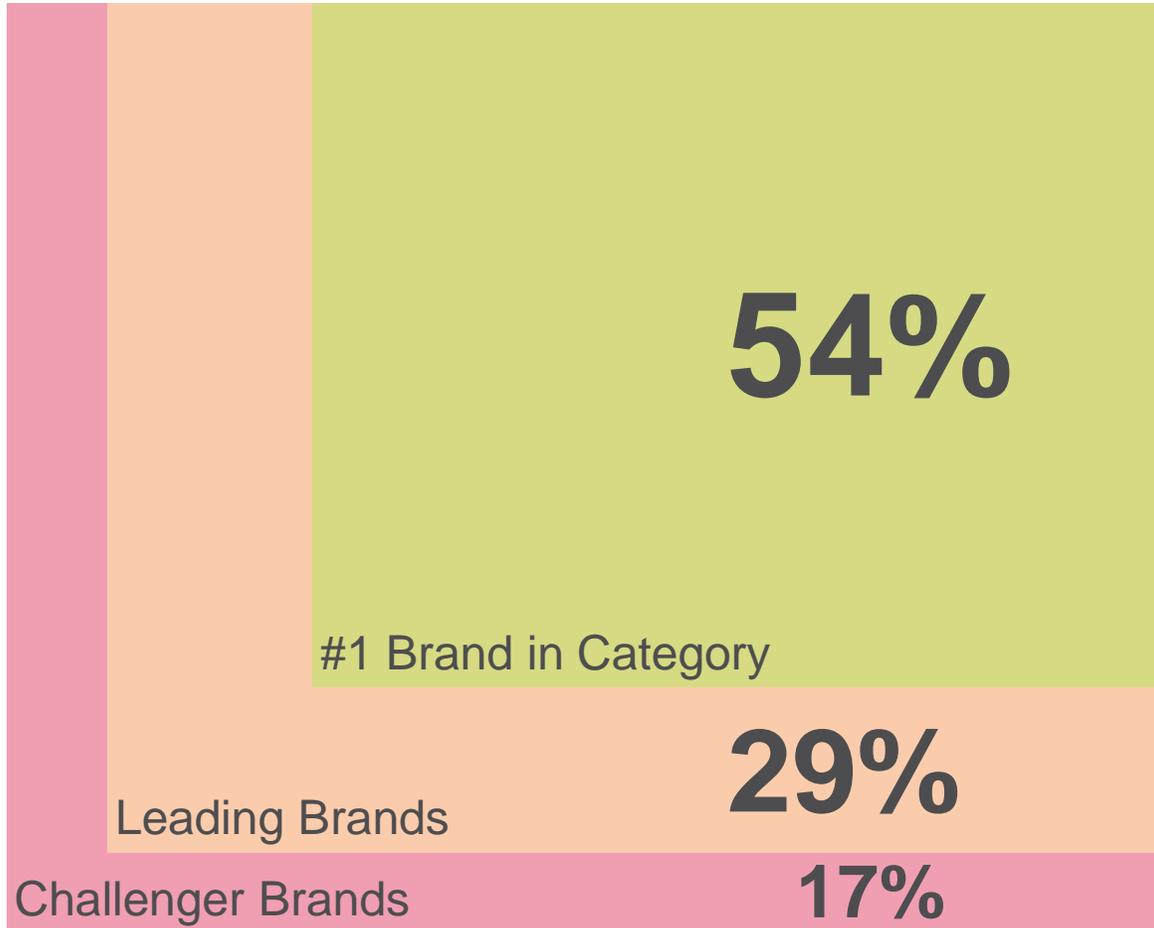
Strong brands return to growth faster than other brands after tough times

Consistently outperforming other brands over time





Tiger Brands has strong brands & this is our advantage



Source: Internal, Brand Health Tracking results



Category positioning – our brands in 25 categories

Tiger Brands is category leader in more than half of the categories we operate in from a brand equity perspective

Our brands compete head-on with the leading brand in almost a third of categories

We can disrupt categories, being a challenger in 17% remaining categories



EXAMPLE: KOO is the the most loved South African Brand



#1 Coolest Tinned Food

2019 Sunday Times Gen Next

TOP10 Iconic Brands 2019

Ask Africa

Most Loved South African Brand

2019 Kantar BrandZ – most valuable brands

TOP10 Iconic Brands

2019 Ask Africa

Consumer Overall favourite brand

2018 Grand Prix award, Sunday Times Top Brands



So we must utilize our strong brands by disrupting to win

A WORLD OF HARDSHIP



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We are breaking the LSM mindset – becoming closer to our consumers as people & not just as income groups



From female LSM 5-7



to



“I am a trendsetter and will pay more to be the first to try”



Who I am, is not defined by my LSM

People live, connect and express themselves through shared beliefs, a common identity, that is about who they are, not the context they're in

We have developed Tiger Foods, Beverages, Home Care & Personal Care “languages” to speak to individuals

Communicating “what they care about” not “what they are”



Leveraging technology to measure effectiveness & respond to a new shopper journey

Leveraging Artificial Intelligence to optimise promos

Ambition of 100% trade spend optimisation that helps retailers & Tiger Brands grow

Went live in May with AI, cloud-based system – applying machine learning to over 7000 promotions

Internal promotion activity monitoring has increased 160%

Digitally promoting – broadsheets and coupons



Turning “price” into media

Ingram's
THE SKIN DOCTOR

- Replenishes skin
- Restores skin barrier
- Contains
 - Argan Oil
 - Vitamin E
 - Omega 3 & 6

Men's RANGE

- Provides 24 hour moisture
- Fast absorbing formula
- Available in 2 variants
- Intense recovery
- Daily renewal

Becoming omnichannel with Buysmart





We are delivering a pipeline of consumer relevant & tested innovation in spaces that are growing



Source: Internal



A consumer first pipeline

Developed through the lens of the consumer

Concept tested upfront using agile social technology

We are becoming experts in
Health & Nutrition, Value, Convenience & Snackification

New R&D Director joining



In the past 6 months, we have launched robust innovations in these spaces with more planned for 2020



Health & Nutrition



Albany BoB Genius



Ace + Fibre



KOO Black Beans



Value



Benny Seasoning



Energade 300ml launch



KOO BBQ and Chilli Wors flavour



Tastic Basmati Parboiled Rice



Convenience



Purity pouch variants



Purity instant porridge



Tastic Quick Cook parboiled rice



Other



Maynards Sour Jelly Beans



Oros 2L - new flavours



Fattis & Monis 100% Durum Pasta



EXAMPLE: Oros driving growth & defending premium

Oros is gaining share while defending substantial premium to nearest competitor

Campaigns that drive real growth



Oros, first 6 months FY19 vs 2018

24% value growth

+3.8% value share gain

21% volume growth

+4.6% volume share gain

Innovating to drive incremental growth for Oros





EXAMPLE: Jungle disrupting the ‘unhealthiest country in the world’ on two fronts

Crunchalots relaunch
- a healthier alternative without compromising taste



Less than 2 teaspoons of sugar per serving
-47% sugar reduction

Jungle Crunchalots continues to grow at 45% in volume in a category which is declining at -4% in volume



Source: Nielsen

Leveraging a clear health proposition to target a new audience



We are contemporising to win against competition & build relevance

EXAMPLE: Upgrading our packaging designs to meet the needs of today's visually conscious Insta-consumers

Beacon gained 16% share off units sold

Old pack



New pack



Old pack



New pack



Creativity cuts through & we are getting recognized internationally



Winning at Cannes Lions & Loeries

Silver Award at Cannes Lions 2019

Craft Gold, Campaign Craft certificate, Bronze at Loeries 2019

Radio Lion (Other FMCG)

- Ogilvy Johannesburg, production work by Produce Sound

Tiger Brands' Doom

- 'You Should Have Used Fast, Deadly Doom'
- 'Revenge of the Cockroach'
- 'Revenge of the Mozzie' (campaign)

We are tactical & prioritise investment in innovation & brands that have an advantage in tough economic times

Leverage brands with advantaged price positioning



Price challenging in sports drinks

Increased distribution of our smaller, lower priced packs



Innovation that adds value without adding price

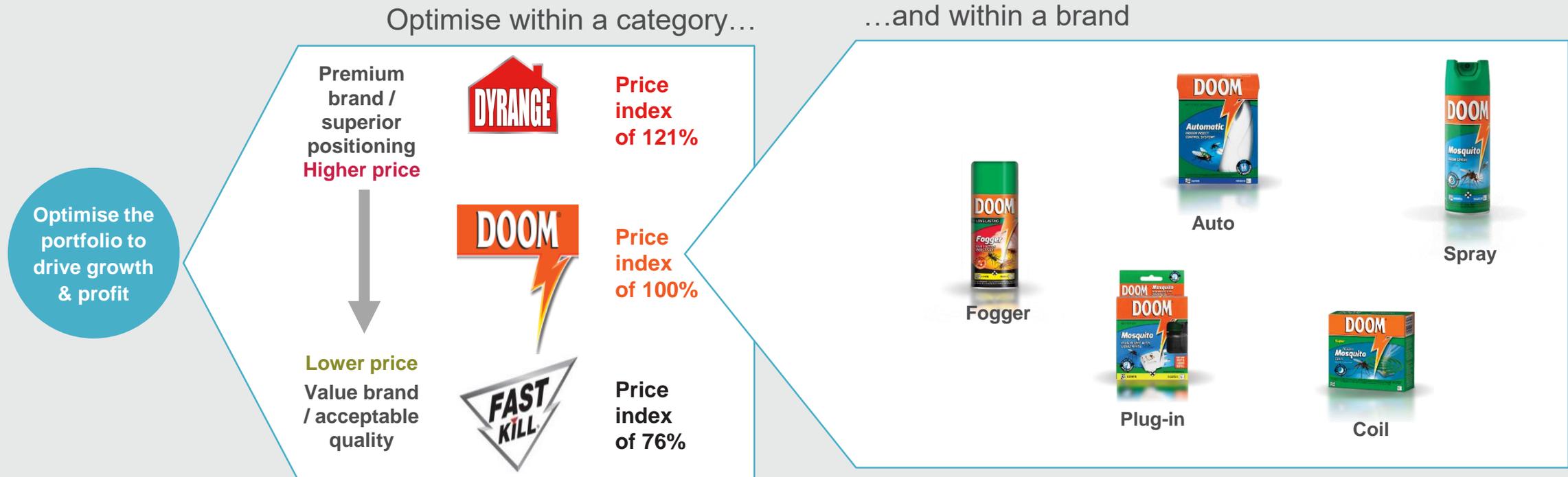


Quick Cooking Tastic, Golden Cloud 3 in 1 Mix, Ace with Added Fibre



We are working to optimise our brand & portfolio strategies to win against Private Label

Price pack architecture + value up & down the price ladder





New pricing expertise help drive brand growth & customer support

EXAMPLE: Smoothies in the General Trade increased prices by 18%

Majority (>90%) of Smoothies sold through General Trade (GT) channels...

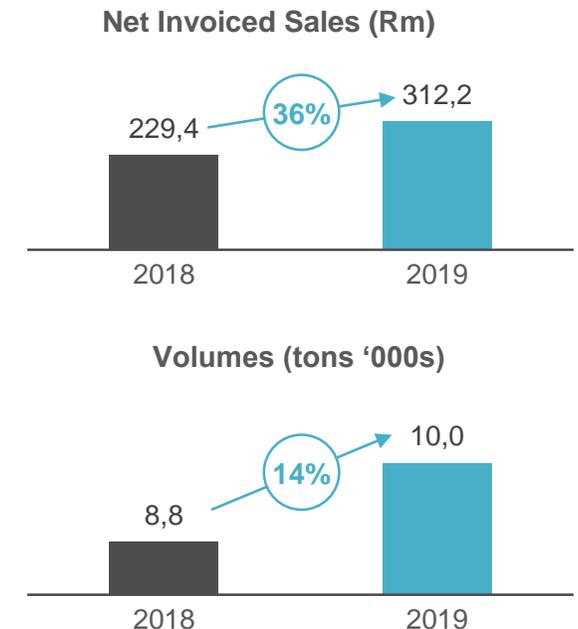


...necessitated a deep dive into GT channels (Hawkers, Spazas, Schools, et. al)

Key insights

- Coinage (50c) drives price points
- 3-5 cents price increase headroom existed for each Smoothies sweet, as hawkers already tolerate higher costs of other sweets while keeping the selling price at 50c

The result: Price increase taken and incentives aligned with Wholesalers resulted in NIS growing by 36% and volumes by 14%





Our brands deliver more than product, we strive to be meaningful

A WORLD OF HARDSHIP



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We are imbuing our brands with Purpose

We are doing the work to move our brands from being one dimensional to being purposeful



The brands are embracing purpose

Purpose creates a greater partnership between consumers and brands to be responsible to each other, and shifts the focus from only selling/trading to engaging



15 of our key brands have completed purpose work & it is embedded in brand plans moving forward



We must move fast & be of the moment to be relevant NOW

EXAMPLE: During election fever, All Gold ran their own elections; we are now moving winning consumer content into Traditional Media

All Gold Tomato Sauce turned around value growth – +6.5% vs. Apr 2018





- 6mil impressions
- Over 2.5m reached
- R14.92 CPM below R15



- Engagement Rate of 31.07%
- 7 x benchmark of 4.43%

 **Programmatic (banners on Premium News Network)**

- 70% of 1m active views
- R50 CPM (b/mark R200)

 **Native**

- 15.5m impressions
- 38,500 clicks
- CPC R1.54 (b/mark R5)

23 million impressions achieve within 3,5 weeks

Influencer reach: 744 396

Trended organically on 19th May 2019

Voted as **“Best Campaign”** in May by Ad Dynamo

Voting Activations Reach approx. 30 000 consumers reached + TS Sachets & Jam’s innovation sampling

Source: Nielsen



EXAMPLE: In 2018, we celebrated Heritage Month with Dr. Esther design on our packaging and in PR





EXAMPLE: In 2019, we evolved the conversations working with the next generation of design in South Africa

Albany packaging redesign with winning student's art – trained & inspired by Dr. Esther



Tastic partners with David Tlale, one of SA's top fashion designers





To stay relevant we must also be more than just mealtimes & have stronger roles in our consumer's lives

EXAMPLE: Purity launching it's Journey Journal app to help parents with 24/7 parenting support

The Journey of a Lifetime

24/7 Medical support through Hello Doctor

User profile – sign-up / login	Medical contacts
Child profile	Option to buy from preferred retailers
Development tracking	Articles
Health tracking	Tips & activities
Expert advice (Chatbot)	Gallery with sticker functionality
FAQs	Push notifications





We will be more proactive and vocal in meeting the Health & Nutrition needs of our consumers and the African continent – **Renovation, Innovation and Education**



Successes to date

Across our sweetened beverage portfolio **37%** sugar reduction

Oros & Energade removed **1 476 tons** of sugar

Grains products have removed **2 043 tons** of salt

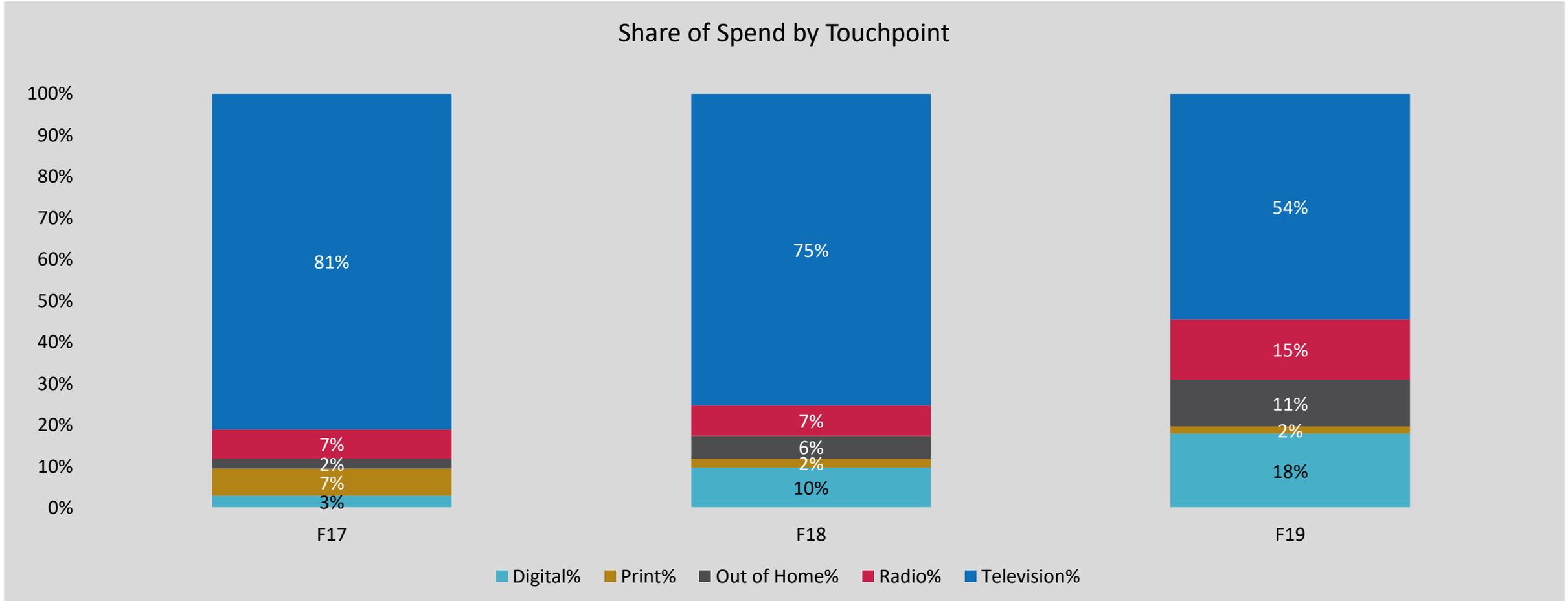
Grains removed **1 505 tons** of sugar

Whole grains / Fibre Rich Grains / Vegetables & Fruits
25% of net sales



We are creating meaning with a new generation of Africans by meeting them where they are engaging

Media diversification taking us where our consumers are



Source: The MediaShop



Concluding remarks: In times of hardship, Tiger Brands will both disrupt & be meaningful with our strong brands in order to win



Disrupting to Win

- Break the LSM mindset
- Use data & technology
- Launch consumer driven innovation
- Modernise our brand assets
- Cut through with creativity
- Be tactical in our investment choices
- Build strong portfolio strategies in our categories
- Price with precision



Being Meaningful

- Bring Purpose to the brands
- Be more of the NOW
- Extend our brands beyond the product
- Proactively meet Health & Nutrition needs
- Diversify our marketing spend to meet our consumers where they are today

Tiger Brands



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